Ethical Stakeholder Engagement

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ABSTRACT

This is the introduction article for the Public Relations Journal special issue on ethical stakeholder engagement. An overview of stakeholder engagement is provided along with a summary of the articles, five lessons learned from the research, future research suggestions, and a list of topic related references.

Keywords: engagement, ethics, stakeholders

INTRODUCTION

While stakeholder engagement has always been a central part of public relations, a focus on its importance is on the rise. As a result, scholarship on engagement is more frequent as the public relations profession aims to navigate in the rapidly changing communications environment.

In November 2011, Richard Edelman delivered the Distinguished Lecture at the 50th Anniversary Institute for Public Relations Awards Dinner. In his presentation, he stated that public relations is “The stakeholder discipline.” His reasoning was because through public engagement (aka stakeholder engagement) public relations professionals can reflect “The evolution of business as a positive force in society.” Today, the Edelman website describes who they are by explaining how the world is calling for stakeholder engagement or what they have termed “Public Engagement.” The company views this as a “third way for companies to communicate beyond paid and earned media” (Edelman, 2015). The benefit of Public Engagement, they indicate is active and meaningful participation in a connected world, increased trust, deeper relationships, changed behaviors, and the fostering and sustaining of economic success.

Stakeholder engagement is now accepted as crucial to an organization’s success, but the term still lacks a widely accepted definition (Johnson, 2014). Over the years, stakeholder engagement has come to represent a variety of interactions with a multitude of audiences or stakeholders. As a concept, stakeholder engagement comes from Stakeholder theory that can be traced back to the seminal work of Freeman (1984), who identified that a company must address the interests of its stakeholders – groups and individuals who can affect or are affected by the organization.

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Building from this, ethical stakeholder engagement takes into consideration a focus on the attributes of both the organization and the stakeholder(s), or more specifically their relationship (Greenwood, 2007). Noland and Phillips (2010) provide an overview of two prevalent ethical stakeholder engagement scholar types as Habermasians and Ethical Strategists. No matter the ethical lens, ethical stakeholder engagement should, in the least, be respectful and honest.

Companies need to remain relevant to survive in a challenging business environment and this survival requires regular interaction with important stakeholder groups. The prevalence of social media had amplified this by providing new possibilities for organizations to engage with stakeholders in real-time. This, however, also brings new challenges related to timing, influence, and opportunity.

The purpose of this special issue is to expand our understanding about ethical stakeholder engagement by including research that delved into the topic from a variety of angles. These articles contribute to the theoretical scholarship on stakeholder engagement and provide important resources for the public relations profession.

SUMMARY OF RESEARCH ARTICLES IN THE SPECIAL ISSUE

The first research article, written by Lucinda Austin and Yan Jin, looks at ethical crisis communication and stakeholder engagement through the lens of media professionals. Their findings from 40 in-depth interviews with experienced traditional and social media professionals from U.S. news outlets included a strong focus on public interest. The ethical approaches of those interviewed were rule-based but also guided by individual moral compasses. Reporting on a crisis was viewed to require an increasing need for empathy, sensitivity, and compassion but balanced by neutrality and objectivity all while being timely and accurate. **Call to action for public relations professionals**: Provide the media with more complete, timely, and accurate information in times of crisis.

A survey was conducted with PRSA members for the second research article by Dean Mundy. In this article he looked at diversity as a driver of multicultural, stakeholder engagement. Respondents supported the premise that diversity policies and principles create a stronger workforce, which leads to more creative, strategic thinking. Organizational LGBT and diversity programs and policies were found to be valued, but only about 60% of respondents had worked on external communication initiatives in which diversity played a role and tools like social media were underutilized. **Call to action for public relations professionals**: Make diversity a part of the business model.

The third research article, written by Shannon Bowen, explored the role of leadership and internal communication in building an ethical culture. Through 28 interviews with CEO and CCO members of the Arthur W. Page Society, Shannon Bowen found that an ethical culture was valued in organizations and authentic leadership was seen as a key driver of ethics in organizations. Engagement was identified as important, yet a strategic use of internal relations was lacking in regard to ethics. **Call to action for public relations professionals**: Use internal relations for ethical discussions.
In the fourth article, Linjuan Rita Men also analyzed leadership and internal communications but with an effort to identify leadership qualities and their effect on employees. Through a survey with 545 individuals working at medium and large-sized companies in the US, she found that power sharing, people orientation, ethical guidance, and concern for sustainability all had a positive influence on employee engagement. *Call to action for public relations professionals:* Leaders should communicate how their actions impact beyond the organization and what their efforts mean for society.

In the fifth research article, Jennifer Vardeman-Winter looked at ethics in public health/health care communications. Through 18 interviews with health public relations practitioners she found that ethics of knowledge, protection, and engagement emerged as most salient but new ethics like sustainability and cultural accountability indicate a new level of engagement. *Call to action for public relations professionals:* Continue to follow the tenets in the Johnson & Johnson credo while being mindful of new iterations for application.

The sixth and final article in the special issue, written by Lan Ni, Qi Wang, Maria De la Flor, and Renato Peñaflor, explored ethical community engagement in the global environment. In a survey with 300 community members in Cajamarca, Peru, they found symmetrical/ethical communication to be the most important and mediated communication the least effective in increasing the effectiveness of stakeholder engagement. They also found that the strategy of uncertainty reduction increased perceived control mutuality and trust, but anxiety did not have an effect on either. *Call to action for public relations professionals:* Communication needs to be adapted based on the needs of a local community with a goal to grow together.

**FIVE LESSONS LEARNED FROM THE RESEARCH**

While the articles in this issue highlight many implications for the public relations profession and academia, there are five overarching lessons that emerge from the research:

First, **do not wait to engage.** Engaging with stakeholders from the start enables an organization to be proactive by cultivating relationships with individuals that may later serve as brand ambassadors during challenging times.

Second, **take a long-term view.** Ethical stakeholder engagement is not a “one and done” event. Instead, organizations are encouraged to employ a strategy of frequent engagement over the long-term. Establishing and maintaining good relationships requires time. However, it is important to remember that some engagement strategies will need to be different to meet important short-term goals.

Third, **engage with more than who you know.** Engagement should not just focus on who the company has relationships with or even who has the loudest voices; instead
consider stakeholder mapping. Define your criteria for identifying and prioritizing stakeholders and identify the proper engagement tools for each group.

Fourth, **listening is the most important part of engagement.** Ethical engagement requires both party’s attention and participation. Monitoring, measuring and proactive listening allows a company to gain unique insight into stakeholders.

Fifth, **remember it is not about you, it is about them.** Ethical engagement should focus on what the stakeholders need, what is important to them, and why they should participate in the relationship. Long gone is the belief in the Magic Bullet Theory, and while many understand the value of customized communications for stakeholders, this need for customization continues to grow.

**FUTURE RESEARCH**

In their article, Lucinda Austin and Yan Jin asked the question “How do crisis communicators (i.e., both media professionals and public relations practitioners) address crisis situations or issues when multiple stakeholders are involved and their ethical principles are in conflict with each other?” What an excellent question, and one that certainly needs further attention to help the media and public relations fields to ethically work together for the mutual benefit of everyone involved.

Similar to other researchers, Dean Mundy highlighted on the importance of an organization’s diversity values in stakeholder decision making. As such, he suggested research that explores the ethical and sincere communication of diversity values.

Authentic leadership was identified in Shannon Bowen’s study as the leadership style that supports an ethical climate and culture. By measuring ethical engagement from the employee perspective Linjuan Rita Men identified management behaviors desired by employees. It appears as if the two studies are in agreement on the role and broad expectations of leadership, but future research could take a deeper dive to explore how these components translate into action, by whom, and when.

Industry-specific communications can lead to a variety of needs, requirements and guidelines for ethical stakeholder communication (DiStaso, 2014). While cross-industry learning and comparison is important, each industry should have research focused on engagement with their specific stakeholders. For example, Jennifer Vardeman-Winter suggested research exploring the role of public relations when the practitioner is directly working with patients.

Research with multinational corporations continues to be an important area of study (Johnson, 2014). Lan Ni, Qi Wang, Maria De la Flor, and Renato Peñaflor identified the importance of looking at cross-cultural implications along with a closer examination of specific communication tools and the role of NGOs.
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REFERENCES


ADDITIONAL REFERENCES AVAILABLE


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